Government of Saskatchewan

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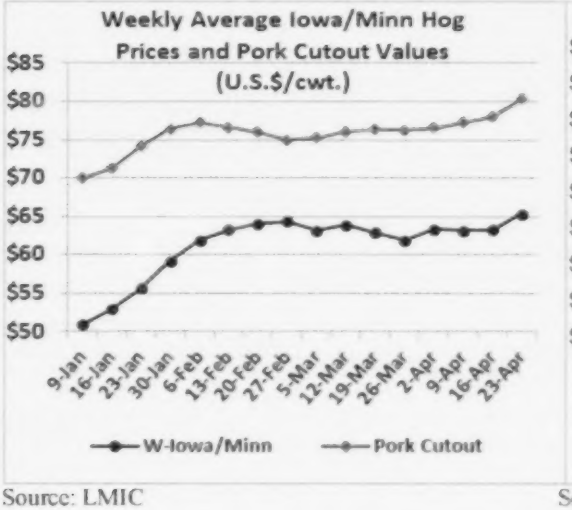
Weekly Hog Report

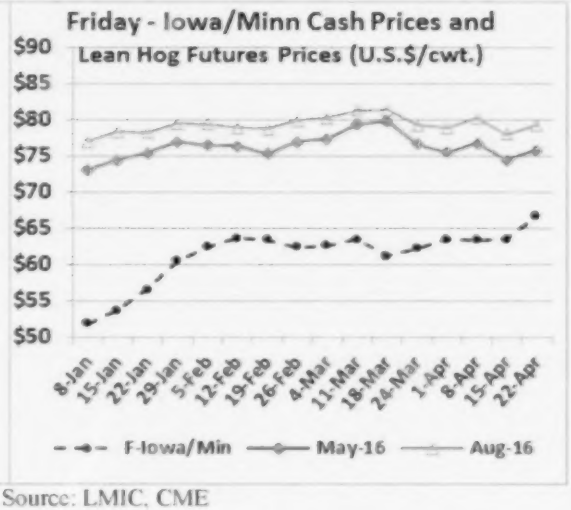
April 25, 2016

Cash Slaughter Weight Hog Prices

United States daily average cash hog prices (Iowa/Minn) moved higher last week ending Friday higher, week-over-week. Hog prices on Friday April 25 averaged US$66.59 per cwt, up US$3.10 per cwt or 4.9 per cent from US$63.49 per cwt the previous Friday. The negotiated base price last week averaged US$65.32 per cwt, up US$2.03 per cwt or 3.2 per cent from US$63.29 per cwt the previous week.



Source: LMIC



Source: LMIC, CME

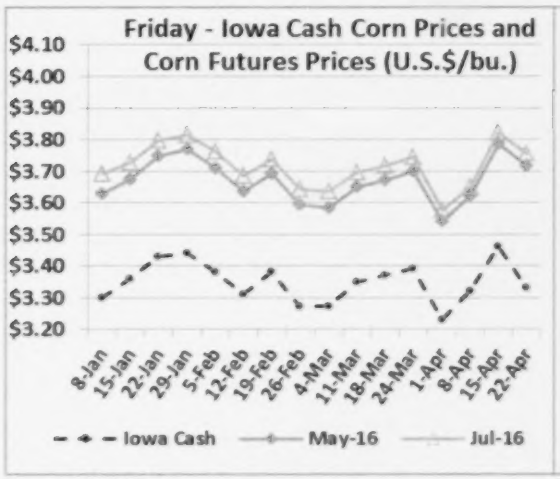
In Canada, the Signature#3 (Maple Leaf) Index 100 daily price for Friday April 22, 2016 was $154.39 per ckg, up $6.11 per ckg or 4.1 per cent from $148.28 per ckg the previous Friday. Signature#3 weekly prices (Friday to Thursday) averaged $150.76 per ckg, up $2.61 per ckg or 1.8 per cent from the previous weeks' average price of $148.15 per ckg. The Canadian dollar was higher last week closing Friday at 78.92 cents, up 1.02 cents from 77.90 cents the previous Friday.

Futures Markets

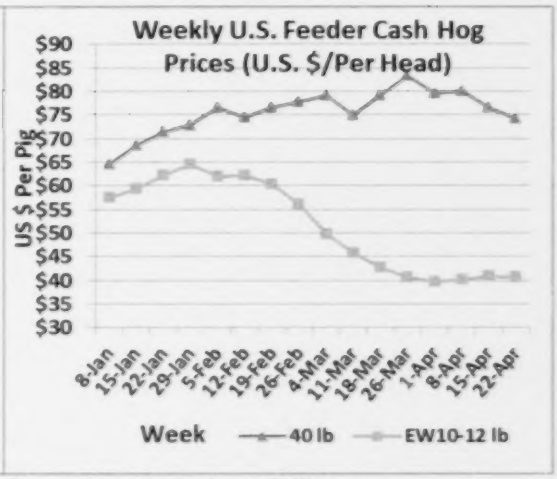
United States lean hog futures daily prices were mixed over the week with price gains early week before declining later in the week but still managed to move higher, week-over-week. The May-to-August 2016 lean hog futures contracts increased between US$1.20 per cwt and US$1.30 per cwt. The nearby May contract increased US$1.30 per cwt to settle Friday at US$75.70 per cwt, while the June 2016 contract increased US$1.20 per cwt to settle Friday at US$79.225 per cwt.

Cash Feeder Hog Prices

North American (Iowa) iso-wean (10-12lb) cash hog prices and feeder (40lb) cash hog prices were primarily lower last week. Weighted average cash prices for iso-weans (12lb) last week were US$40.62 per head, down slightly (US$0.12 per head) from US$40.74 per head the previous week. Feeders (40lb) averaged US$74.15 per head, down $2.30 per head from US$76.45 per head, the previous week.



Source: LMIC



Source: Iowa Agriculture, CME

U.S corn prices moved lower last week. Iowa cash corn prices declined thirteen cents to settle Friday at US$3.33 per bushel. U.S. daily corn futures prices were higher early in the week but down hard Thursday and Friday to end last week lower, week-over-week. The May 2016 corn contract declined almost seven cents per bushel to settle Friday at US$3.71¾ per bushel, while the July 2016 contract declined over six cents to settle Friday at US$3.75½ per bushel.

Hogs Slaughtered

U.S. hogs slaughtered under federal inspection for the week ending April 23 were estimated 2.241 million head, up 2.0 per cent from 2.197 million head the previous week, and up 3.5 per cent from 2.165 million head the same week a year ago. U.S. hogs slaughtered over the last four weeks ending April 23 averaged 2.194 million head per week, up slightly from 2.192 million head over the same period a year ago.

In Canada, federal and provincial hog slaughter numbers for the week ending April 16, 2016 were estimated at 414,280 head, down 1.6 per cent from 420,929 head the previous week, but up 4.7 per cent from 395,748 head the same week a year ago. Canadian hog slaughter numbers over the last four weeks averaged 400,712 head, up 4.5 per cent from 383,364 head over the same period in 2015. Year-to-date, hogs slaughtered in Canada in 2016 have totaled 6,283,521 head, up 4.2 per cent from 6,032,439 head over the same period in 2015.

Meat Production

U.S. pork production for the week ending April 23, 2016 was estimated at 478.4 million lb., up 2.2 per cent from 468.2 million lb. the previous week, and up 3.5 per cent from 462.2 million lb. the same week a year ago. Pork production over the last four week's ending April 23 was estimated to average 468.0 million lb., down slightly from 468.9 million lb. over the same four week period a year ago.

U.S. beef production for the week ending April 23 was estimated at 484.5 million lb., up 6.6 per cent from 454.7 million lb. the previous week, and up 9.1 per cent from 444.2 million lb. the same week a year ago.

Combined production of U.S. beef, pork, chicken and turkey over the four weeks ending April 16, 2016, was estimated to average 2.009 billion lb., up 1.6 per cent from 1.978 billion lb. over the same four weeks a year ago. Year-to-date, total U.S. meat production for 2016 is estimated to be up over 2.0 per cent compared to the same period in 2015.

United States Weekly Meat Production

(April 16) Four Week Average - Million Lb.			Percent Change	
	2015	2016	4 Week	YTD 2016
Pork	475.2	463.7	-2.4%	-0.5%
Beef	427.9	447.7	4.6%	3.6%
Chicken	947.8	971.6	2.5%	3.0%
Turkey	126.9	126.3	-0.5%	-1.2%
Total	**1,977.7**	**2,009.3**	**1.60%**	**2.04%**

Source: LMIC

Cutout Values

U.S. national pork cutout values for the week ending April 23, 2016 averaged US$80.27 per cwt, up US$2.33 per cwt or 3.0 per cent from US$77.94 per cwt the previous week, and up 16.8 per cent from US$68.71 per cwt from the same week a year ago.

Choice beef cutout prices (600-900 lb.) for the week ending April 23, 2016 averaged US$222.27 per cwt over the week, up US$0.76 per cwt or 0.3 per cent from US$221.51 per cwt the previous week, but down 14.2 per cent from US$259.20 per cwt the same week a year ago.

Average chicken cutout values (breast) for the week ending April 23, 2016 averaged US$116.65 per cwt, up 1.1 per cent from US$115.34 per cwt the previous week, but down 24.2 per cent from US$153.85 per cwt the same week a year ago.

Meat In U.S. Cold Storage

USDA released the latest U.S. cold storage numbers on April 22, 2016. The United States' pork stocks in cold storage totaled 614.1 million lb. on March 31, 2016, down 8.7 per cent from 672.4 million lb. on March 31, 2015, and down 2.4 per cent from 628.9 million lb. on February 29, 2016.

The U.S. beef stocks in cold storage totaled 467.0 million lb. on March 31, 2016, down 3.0 per cent from 481.5 million lb. on March 31, 2015, and down 5.0 per cent from 491.4 million lb. on February 29, 2016.

Total pork, beef, chicken and turkey in cold storage on March 31, 2016 were at 2.235 billion lb., above the ten year average for March, but still below the highs of 2.4 billion lb. in September 2015.

United States Stocks in Cold Storage (Frozen)

	1,000 Pounds		
Commodity	**31-Mar-2015**	**29-Feb-2016**	**31-Mar-2016**
Pork	672,431	628,948	614,148
Beef	481,473	491,360	466,988
Chicken	751,849	800,714	786,286
Turkey	345,578	341,094	367,951
Total Combined	**2,251,331**	**2,262,116**	**2,235,373**

Source: NASS

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